
CITY COUNCIL MEETING

MONDAY, JULY 13, 2009

A regular meeting of City Council was held on the above date for the transaction of general business.

Vaughn D. Spencer, President of Council, called the meeting to order.

The invocation was given by President of Council, Vaughn D. Spencer.

All present pledged to the flag.

ATTENDANCE

Council President Vaughn Spencer
Councilor Steve Fuhs, District 1
Councilor Marcia Goodman-Hinnershitz, District 2
Councilor Dennis Sterner, District 3
Councilor Stratton Marmarou, District 4
Councilor Jeffrey Waltman, District 6
Mayor, T. McMahon
City Auditor, D. Cituk
City Solicitor, C. Younger
City Clerk, L. Kelleher
Chief of Police, W. Heim

PROCLAMATIONS AND PRESENTATIONS

Mayoral Proclamations

Council Commendations

- recognizing the 100th anniversary of the NAACP, accepted by Nonnie Singleton, Reading Chapter First Vice President

PUBLIC COMMENT

Council President Spencer announced that three (4) citizens were registered to address Council on non-agenda issues. He inquired if Council objected to suspending the rule requiring comment on non-agenda matters at the conclusion of the meeting. No one objected, therefore, the rule requiring non-agenda comment at the conclusion of the meeting was suspended. Council President Spencer reminded the citizens registered to speak about the remaining public speaking rules.

Grady Bradham, Fairview St , was not present.

Andrew Moltini, Rose Street, expressed concern with the removal of several trees on Penn Street. He agreed with the need to provide adequate lighting for safety purposes in the evening, but asked that Administration provide some balance. He respectfully requested that the Mayor review the tree removal plan and make modifications. He reminded everyone that Reading is a Tree City.

Joan Alexander, South Front Street, Womelsdorf, noted her affiliation with the National Cricket League and her attempt to establish a cricket team here in the Greater Reading area.

Susan Ringer, West Greenwich St., announced her intent to send Council information countering the proposed amendment to the Animal Control Ordinance. She requested that City Council review the material when it's provided.

J. Richard Strunk, Hampden Blvd., read a letter drafted by those residing in the 1300 block of Hampden Blvd. concerning the condition of the property located at 1302 Hampden Blvd. He stated that for over two (2) years the grass and weeds have grown to excessive length and the hedge originally 3ft high has grown to approximately 9ft tall and covers the sidewalk. He stated that no one is currently residing in the building; however, it had been used as a rental property. He stated that currently there are two (2) notices posted on the front of the property, one from 2008 and one from 2009. He noted repeated calls to get this property addressed without satisfactory response. He asked the Mayor to correct this problem property which is causing a severe blight in this very stable neighborhood. He also thanked the team handling graffiti issues in the City. He noted that his property has been hit with graffiti numerous times. He expressed his appreciation to those involved in the graffiti removal activities.

AGENDA & MINUTES

Councilor President Spencer called Council's attention to the agenda for this meeting and the minutes from the June 8th regular meeting of Council. He stated that with approving the agenda Council will also approve the legislation listed under the Consent Agenda heading for this meeting. He stated that there are no additions to this agenda.

Resolution 85-2009 directing Met-Ed Energy to install and provide energy to 1 company owned street light fixture on Pole #51109-37263, behind 414 N. 11th St (**Engineering**)

Resolution 86-2009 authorizing the City of Reading to be a member of the Berks County Cooperative Purchasing Council, appointing a representative and an alternate to the Berks County Cooperative Purchasing Council authorizing a signatory for entering into a service contract for supply of electricity (**Purchasing**)

Award of Contract - for the Public Works Department's Handicapped Ramp Project to Reamstown Excavating, Inc., Denver, PA, at a total bid price of \$105,371.47 (Purchasing)

Councilor Goodman-Hinnershitz moved, seconded by Councilor Sterner to adopt the agenda including the legislation listed under the consent agenda heading and the minutes from the June 8th regular meeting of Council. The motion was approved unanimously.

ADMINISTRATIVE REPORT

Mayor McMahon highlighted the Administrative Report provided to Council at the meeting covering the following:

- Importance of House Bill 1682 The Local Option Sales Tax/Property Tax Relief Act to be discussed at his July 14th press conference
- The Family Friday Night Lights tennis program scheduled for Hampden Park
- The grand re-opening of the Pagoda on July 25th
- Updates on complaints issued by members of Council

Councilor Goodman-Hinnershitz noted the need for all to have a open mind as the elected the officials consider the adoption of a resolution to support the local option sales tax.

Councilor Goodman-Hinnershitz also thanked the Administration for their positive reaction to citizen requests to make Kline Street one way. She also described the positive work to correct the problem properties on Spring Garden Street.

Councilor Fuhs thanked the Administration for staying on top of the proposed daycare for 525 Penn Street.

Councilor Fuhs also thanked the Mayor for his efforts to educate the public on House Bill 1682. However, he noted that this House Bill must be first approved at the state and county levels before it can assist local municipalities.

Councilor Sterner noted that the local option sales tax could have a positive affect on senior citizen tax payers.

Councilor Waltman stated his disagreement with the principal behind the local option sales tax. He noted that he is looking forward to discussing this issue.

AUDITOR'S REPORT

City Auditor Dave Cituk read the report distributed to Council at the meeting covering the following topics:

- Update on 2008 external audit being prepared by Herbein & Co.
- Report on municipal sewage payments by outlying municipalities.

Councilor Goodman-Hinnershitz noted the regional approach as the City's Waste Water Treatment Plant serves outlined municipalities.

Councilor President Spencer inquired if the amount shown for sewage payment is the total amount received annually. City Auditor Cituk replied that affirmatively that the amount shown reflects the gross collected for 2008.

ORDINANCES FOR FINAL PASSAGE

Bill No 34-2009 - amending the Code of Ordinances of the City of Reading, Berks County, Pennsylvania, Fee Schedule, Administrative Fees, Fire Department Fees **(Man Dir)** *Introduced at the June 22 regular meeting, Advertised July 6th*

Councilor Marmarou moved, seconded by Councilor Fuhs, to enact Bill No. 34-2009.

Councilor President Spencer explained that this is another increase coming from the fee study prepared by Maximus. He noted Council and the Administrations work to balance the recommendations made by Maximus with the impact the fee will have on citizens, taxpayers, and businesses.

Bill No. 34-2009 was enacted by the following vote:

Yea: Fuhs, Goodman-Hinnershitz, Marmarou, Sterner, Waltman, Spencer, President - 6.
Nay: None – 0

INTRODUCTION OF NEW ORDINANCES

Council President Spencer read the following ordinances into the record:

Ordinance - amending the full-time employee positions for the City of Reading for the fiscal year 2009 by amending the Human Relations Commission to add one (1) Human Relations Commission Executive Director and to eliminate the Human Relations Commission Administrator **(Man Dir)**

Ordinance - amending the Code Of Ordinances of the City Of Reading, Berks County, Pennsylvania, Fee Schedule, Administrative Fees, Public Works Department, Parks And Recreation Fees **(Man Dir)**

Ordinance - amending the Code of Ordinances of the City Of Reading, Berks County, Pennsylvania, Fee Schedule, Administrative Fees, Police Department, Division of Codes Fees **(Man Dir)**

Ordinance - amending the Code of Ordinances of the City Of Reading, Berks County, Pennsylvania, Fee Schedule, Administrative Fees, Community Development Department, Division of Planning Fees **(Man Dir)**

Ordinance - authorizing the Mayor to execute an Easement Agreement between the City of Reading and the Reading Area Water Authority thereby conveying unto the Reading Area Water Authority a non-exclusive, perpetual easement in gross upon that portion of premises known and designated as Easement 101-3 located within parcel id#530773-51-0576, situate between River Road and Schuylkill Avenue **(RAWA)**

Ordinance – amending the Codified Ordinances Chapter 11 Housing, Section 11-116 (B) “Fees for Rental Housing” by requiring a \$25 fee for the third and subsequent inspections. **(Codes & Council Staff)**

Ordinance – amending the Codified Ordinances Chapter 10, Section 10-110 Animal Bite Incidents by bringing it into compliance with State quarantine regulations. (City Health Officer & Council Staff)

RESOLUTIONS

Resolution 87-2009 granting a waiver of/from the requirements of posting a bond or surety pursuant to Chapter 22 Subdivision and Land Development Ordinance Section 309 Performance/Maintenance Guarantees (Section 22-309) of the City of Reading Codified Ordinance for development of the Double Tree Convention Center (Hotel) by Reading Luxury Hotels, LLC, at 701 Penn Street, Reading **(Redevelopment Authority)**

Councilor Fuhs moved, seconded by Councilor Marmarou, to adopt Resolution 87-2009.

Councilor President Spencer explained that the Municipalities Planning Code in Pennsylvania requires all developers to take out a performance bond used to ensure the entire project and accompanying infrastructure improvements are completed. He stated in the past the City has waived this performance bond for projects undertaken by public entities.

Resolution 87-2009 was adopted by the following vote:

**Yea: Fuhs, Goodman-Hinnershitz, Marmarou, Sterner, Waltman,
Spencer, President - 6
Nay: None – 0**

Resolution 88-2009 to apply for and obtain a grant from the United States Department of Housing and Urban Development (HUD) for approximately \$8M through the Federal Neighborhood Stabilization Program II (NSP II) to address

the property foreclosure issue within the City (**Community Development**)

Councilor Goodman-Hinnershitz moved, seconded by Councilor Fuhs, to adopt Resolution 88-2009.

Resolution 88-2009 was adopted by the following vote:

**Yea: Fuhs, Goodman-Hinnershitz, Marmarou, Sterner, Waltman,
Spencer, President - 6
Nay: None – 0**

Resolution 89-2009 authorizing the City of Reading to file a funding proposal through the Department of Community and Economic Development Early Intervention Program to request funding (\$90,000) for the City to establish the position of Business Analyst (**Man Dir**)

Councilor Goodman-Hinnershitz moved, seconded by Councilor Fuhs, to table Resolution 89-2009.

Resolution 89-2009 was tabled by the following vote:

**Yea: Fuhs, Goodman-Hinnershitz, Marmarou, Sterner, Waltman,
Spencer, President - 6
Nay: None – 0**

Councilor Goodman-Hinnershitz explained that the bill was tabled due to Council's request for more information.

Council President Spencer noted Council's upcoming conversation with Fred Reddig from the DCED about Act 47. That discussion will occur Monday at the 7pm Work Session.

Resolution 90-2009– supporting the Local Option Sales Tax/Property Tax Relief Act (**Mayor**)

Councilor Marmarou moved, seconded by Councilor Goodman-Hinnershitz, to adopt Resolution 90-2009.

Mayor McMahon expressed his belief in the need for property tax reform which will occur if the state legislators and county commissioners take the proper actions. He stated that the City cannot sustain itself and the services it provides with property taxes alone. He expressed the belief that with a successful adoption of this legislation by state legislators and county commissioners will provide the relief requested by the taxpayers. He stated that he holding a press conference to discuss this issue on Tuesday, July 14th at 10am in Council

Chambers.

Councilor Fuhs noted the inability of the local body to affect state legislation and legislators. He noted that the resolution asks state legislators to allow county commissioners across Pennsylvania to support the Local Option Sales Tax. He expressed the belief that the proper pressure should be applied on the county commissioners.

Councilor Sterner stated that he will support the adoption of this resolution as previously stated in his comments after the Mayor's Report.

Councilor Waltman expressed the belief that this version of property tax relief is not sufficient enough to provide the type of tax relief requested by tax payers. He stated that the relief this will provide is minimal when compared with other options previously considered by state legislators. He asked all to remember the severe state budget deficit. He also noted the outlandish growth of the Reading School District student population and the impact this will have on City taxpayers when and if state aid ends.

Councilor Waltman noted the amount of human service costs at the county level, which grew at a rate similar to that of the school district population.

Councilor Waltman expressed the belief that state legislators could more effectively assist local municipalities by allowing the municipality to have more leeway and control of housing issues.

Mayor McMahon stated that the successful adoption of the Local Option Sales Tax at the state and county level will provide 25% property tax relief to taxpayers. He stated that the revenue yielded will be split between property tax relief and public services such as recreation and library costs. He noted that under the Local Option Sales Tax Act clothing, food, and prescriptions will still remain untaxed.

Councilor Waltman expressed the belief that the Local Option Sales Tax, recently renamed, is leading the taxpayer on. He noted that this minimal amount of money will not effectively handle the systemic problems in Reading and other municipalities.

Councilor Goodman-Hinnershitz expressed the belief that the use of this tax will allow payment from a broader community other than property owners. She stated that the enactment of this legislation at the state level is one step in the entire picture. She also noted that citizens understand the need for a tax shift to provide tax reform.

Councilor President Spencer states that he does not oppose the concept. He noted that the state legislators have failed to provide taxpayers with the property

tax relief requested. Rather than handling the issue themselves they instead shift the property tax reform issue to county government. He noted that the City collects \$15 million dollars in property tax per year and using the Mayor's estimates, only \$2-\$3 million dollars will provide property tax relief. Mayor McMahon stated that property tax relief will come in the form of 34% off the total amount collected.

Mayor McMahon also noted that this bill is supported by Representatives Santoni and Caltagirone.

City Auditor Cituk stated that the Local Option Sales Tax is slated to bring the City \$8 million annually, with \$4 million in property tax relief and the remainder to cover other municipal programs.

Councilor Marmarou called the question.

Resolution 90-2009 was adopted by the following vote:

**Yea: Fuhs, Goodman-Hinnershitz, Marmarou, Sterner, Spencer,
President - 5
Nay: Waltman – 1**

COUNCIL COMMENT

Councilor Marmarou suggested Ms. Alexander to speak with the City's Recreation Department about starting a cricket program.

Councilor Marmarou described his and the Council office work to correct the problems noted by Mr. Strunk at 1302 Hampden Blvd. He stated this issue has gone on long enough and asked the City Administration to throw the book at the property owner.

Councilor Marmarou noted his agreement with the prior suggestion to bring gaming into Reading. He described his follow up with Penn National Gaming. He expressed his belief that the Luden's property would be a great location for a casino.

Councilor Marmarou inquired if Councilor Waltman's comments regarding the need for smaller government suggests that the state, county and city layoff employees.

Councilor Waltman clarified that by using the term "smaller government" he was suggesting that all governmental entities work to find more efficient operations. He noted the impact caused by the population growth in the City and school district which reflects the growth in human service costs at the county level. He also noted the problems this growth has caused for the City's housing. He expressed the belief that the switched sales tax will not correct the problem.

Councilor Goodman-Hinnershitz thanked Mr. Moltini for his comments regarding the removal of trees on Penn Street. She agreed with his concern on the use of proper tree-scaping and asked that the Administration re-review their plan.

Councilor Goodman-Hinnershitz suggested that Ms. Alexander and the City's Recreation Department consider the area off Pendora Park for cricket activities.

Councilor Goodman-Hinnershitz described the new approach of block meetings in District 2 to solve a variety of neighborhood issues.

Councilor Goodman-Hinnershitz asked District 2 residents to stay aware and cautious due to the increase in break-ins in southeast Reading.

Councilor Sterner congratulated the NAACP on their 100th anniversary.

Councilor Sterner also agreed with the need to take corrective action for the problems noted by Mr. Strunk on Hampden Blvd. He also noted the need for stricter code enforcement across the City.

In regard to comments made by Ms. Ringer, Councilor Sterner explained that the amendment to the animal control ordinance does not seek to limit the number of pets per household but to regulate the health and welfare of animals and the public.

Councilor Sterner noted his agreement with the suggestion to bring gaming to the City of Reading. He also noted the positive input he's received about bringing gaming to Reading from his constituents.

Councilor Fuhs congratulated the NAACP on their 100th anniversary.

Councilor Fuhs stated that he looks forward to reviewing and discussing the animal control ordinance at the upcoming Work Session.

Councilor Fuhs noted the Reading Eagle's recent assertions that City elected officials are violating the state Sunshine Law while discussing matters pertaining to the consent decree on the Waste Water Treatment Plant. He noted the city solicitor's request for the case law cited. This request has been ignored. He stated that two (2) attorneys have advised Council that discussing the consent decree issues in Executive Session is proper. He suggested that if the Reading Eagle is so sure that their opinion is solid, that they file a lawsuit.

Councilor Fuhs also described the growing problem with halfway houses and their population in the City of Reading.

Councilor Waltman noted that this unilateral tax reform will not assist the City or

correct its financial problems.

Councilor President Spencer also noted the Reading Eagle's belief that the recent issue with the K9 Corps is a City screw up. He stated this issue is not a City screw up but a misunderstanding and internal dispute over the language in the collective bargaining agreement. He expressed the belief that City government is too often the Reading Eagle's target as it's the largest municipality in Berks County.

Councilor President Spencer noted the infrastructure casinos require and the deep pockets it takes to provide the infrastructure requirements.

Councilor President Spencer agreed with Councilor Waltman's statement on the effect population growth will have on school taxes which has been held back due to the state's generous assistance. He stated that one day the state will no longer provide this maximum help and the lid will come off local school taxes.

Councilor President Spencer announced the Fourth Annual African Arts Festival scheduled for August 21st through the 23rd.

Councilor President Spencer reviewed the upcoming Council meeting schedule.

Councilor Marmarou moved, seconded by Councilor Sterner, to adjourn the regular meeting of Council.

Linda Kelleher CMC, City Clerk